Assembly Bill No. 537

CHAPTER 435

An act to add Section 10072.1 to the Welfare and Institutions Code, relating to public benefits.

[Approved by Governor September 29, 2010. Filed with Secretary of State September 29, 2010.]

LEGISLATIVE COUNSEL'S DIGEST

AB 537, Arambula. Farmers' markets: electronic benefit transfers.

Existing law, administered by the State Department of Social Services, provides for the establishment of a statewide electronic benefit transfer (EBT) system for the purpose of providing financial and food assistance benefits to needy Californians.

This bill would allow an interested collective group or association of produce sellers that is Food and Nutrition Service (FNS) authorized and in a flea market, farmers' market, or certified farmers' market to initiate and operate an EBT acceptance system in the market, as specified. The bill would provide that an individual produce seller in a market is not prohibited from operating his or her own individual EBT acceptance activity as part of that seller's personal business customer transaction offering.

The people of the State of California do enact as follows:

SECTION 1. Section 10072.1 is added to the Welfare and Institutions Code, to read:

- 10072.1. (a) The Legislature finds and declares that flea markets, farmers' markets, and certified farmers' markets are important sources of low-cost produce for Californians in need of food assistance.
- (b) (1) An interested collective group or association of produce sellers that is Food and Nutrition Service (FNS) authorized and actively participating in produce sales in a market described in subdivision (a) may initiate and operate an electronic benefit transfer (EBT) acceptance system on behalf of its members, to the extent and manner allowed by federal law and regulation. The market operator shall allow and accommodate the FNS-authorized group or association in a reasonable manner that aids in the creation, implementation, and operation of its EBT acceptance system. The allowance and accommodation by the market operator mandated by this section is limited solely to the activity of the operation of the EBT acceptance system by the group or association. No other activities are authorized without the express permission of the market operator.

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- (2) This subdivision shall not apply to a market described in subdivision (a) that currently or subsequently operates an EBT acceptance system.
- (c) Nothing in this section or any other provision of law shall prohibit an individually FNS-authorized produce seller in a market described in subdivision (a) from operating his or her own individual EBT acceptance activity as part of that seller's personal business customer transaction offering.
- (d) Nothing in this section shall be interpreted to require a market described in subdivision (a) to itself create, operate, or maintain an EBT acceptance system on behalf of its produce sellers.